

**AGENDA ITEM 3b
PUBLIC AGENCY SIGNIFICANT FINDINGS
AS OF SEPTEMBER 30, 2010**

Significant Public Agency Review Findings for First Quarter of 2010-11

Compensation Findings:

- **No Documentation Provided to Verify the Authorization of Employee Salaries**

East Palo Alto Sanitary District did not have publicly available salary schedules or Board Meeting minutes that authorized employee salaries.

Status: IN PROGRESS. Employer Services Division sent first letter to District. Employer compliance is in progress.

- **Compensation for Accrued Leave Time Erroneously Reported**

City of Guadalupe reported a cashout of accrued vacation time, sick time and compensatory time in the amount of \$22,845.43. In addition, the City reported a cashout of vacation time, sick time and compensatory time cashouts in the amount of \$23,906.86. One cashout was reported at the time the employee retired from CalPERS and the other cashout was reported at termination from employment.

Status: IN PROGRESS. Employer Services Division sent first letter to Employer.

- **Employee Erroneously Reported Under a Safety Classification**

Sacramento Metropolitan Fire District continued to report an employee under a safety classification after the employee was promoted to a miscellaneous position.

Status: IN PROGRESS. Staff will work with the agency to correct the employee's classification code and back out and re-report payroll under the correct classification.

- **Records Were Not Available or Not Provided**

California Interscholastic Federation, Central Coast Section did not provide requested records and documentation to determine compliance in the following tests: timely submission of payroll, enrollment of eligible employees, and certification of unused sick leave.

Status: Timely submission of payroll: COMPLETE. Employer Services Division sent first letter to Employer. Currently submitting contributions and summaries within the timeframe. Employer in compliance with this issue.

Status: Enrollment of eligible employees: IN PROGRESS. Employer Services Division sent first letter to Employer. The agency faxed a copy of the letter they sent to the auditor disputing these findings to Employer Services Division. The agency is indicating that the employees only work a few months out of the year and are willing to provide a signed affidavit that these employees never worked 1,000 hours. Will follow up with Office of Audit Services.

Status: Certification of unused sick leave: IN PROGRESS. Benefit Services Division received additional sick leave documents from the Employer and forwarded the documents to Office of Audit Services to review because sick leave of 196 days could not be validated at the time of the audit.

**AGENDA ITEM 3b
PUBLIC AGENCY SIGNIFICANT FINDINGS
AS OF SEPTEMBER 30, 2010**

Significant Public Agency Review Findings for First Quarter of 2010-11

- **Management Incentive Pay Was Not in a Publicly Available Document**

City of Beverly Hills paid and reported incentive pay for department heads, assistant directors, and senior management staff; however, the amounts were not listed in a publicly available document.

Status: IN PROGRESS. Employer Services Division sent first letter to Employer.

- **Increase in Payrate Was Not Received by Other Employees in the Same Group or Class**

Sacramento Metropolitan Fire District management employee received a 12 percent payrate increase. However, during this period salary increases for other management employees were four percent of base salary.

Status: IN PROGRESS. Employer Services Division sent first letter to the Employer. Employer compliance is in progress.

- **No System in Place to Evaluate and Approve Continuing Education Pay**

Sacramento Metropolitan Fire District employees received additional continuing education and as a result were eligible for additional incentive pay. However, the District did not have a program or system in place to evaluate and approve acceptable courses.

Status: IN PROGRESS. Employer Services Division sent first letter to the Employer. Employer compliance is in progress.

- **Full-time Employees Were Not Enrolled Into Membership**

Herald Fire Protection District did not enroll three of four permanent full-time employees into membership with CalPERS.

Status: IN PROGRESS. Employer Services Division sent first letter to Employer.